

# METHODS OF COST MANAGEMENT AT THE ENTERPRISE: THE ESSENCE, CHARACTERISTICS, CLASSIFICATION

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A key element of cost management at modern domestic enterprises is the methods of such a management, which have become the object of a close attention and study of scientists, as well as economists-practitioners. In the article, based on the semantic analysis (the terms “costs”, “management”, “cost management”, “enterprise”, “enterprise costs management”, and “method”) and determining the place of cost management methods at the enterprise cost management system, the essence of such management methods is defined. The analysis of publications of scientists made it possible to distinguish three large groups of scientific developments in the field of selecting and applying methods of cost management at enterprises. Paying tribute to the scientific development of foreign, as well as domestic scientists, an analysis of existing defects and gaps in the definition of the essence, characterization, and classification of methods of cost management at modern enterprises is carried out. The basic elements of the term “cost management method at the enterprise” are the terms “costs” and “management”. Evaluation of scientific developments of domestic and foreign scientists on the problem of the definition of the term “costs” revealed a discussion that is related to the identification of the terms “costs”, “expenditures” and “expenses”. Critical evaluation of developments in the field of management issues also revealed a scientific discussion on the definition of the essence, as well as the identity

of the terms “administration” and “management”. Based on the above, we can give the following definition of the term “management of costs at the enterprise”: “Managing costs at the enterprise is a process of targeted influence of relevant subjects (state authorities, local governments, owners, management, employees) on the costs of enterprises related to production, turnover, and sales of products, with the aim of increasing the efficiency of their operation (profit)”. By the method, we will understand the method of achieving any goal, the solution of a specific problem, the totality of techniques or operations of practical or theoretical knowledge of reality. Based on the critical evaluation of scientific developments in the field of cost management, the purpose of the article is to determine the essence, give a characterization, and develop a classification of methods of cost management at the enterprise. The essence of cost management methods is determined on the basis of the semantic analysis of the term “cost management method” using a number of economic terms for the formation of its structure, as well as determining the place of cost management methods in the cost management system at a modern enterprise. Chronology of the development of methods of cost management at the enterprise is also given and their characteristics are provided. Separately, a brief description of the most widespread methods of cost management in the financial and economic activity of economic enti-

ties with their positive and negative sides is given. Based on the above characteristics, a classification of cost management methods is developed and proposed. Further scien-

tific developments should be devoted to the problems of applying individual methods of cost management at enterprises of certain spheres and branches of the economy.